



DEPARTMENT OF HEALTH & HUMAN SERVICES
Health Care Financing Administration

Center for Medicaid and State Operations
Family and Children's Health Programs Group
7500 Security Boulevard
Baltimore, MD 21244-1850

FEB 10 2000

Laurie Ekanger, Director
State of Montana
Department of Public Health and Human Services
Cogswell Building
P.O. Box 202951
1400 Broadway
Helena, Montana 59620-2951

Dear Ms. Ekanger:

Thank you for your proposal, dated December 27, 1999, for ~~an~~ amendment to your State Children's Health Insurance Program under Title XXI of the Social Security Act. We are impressed with the efforts that Montana has made to provide health care coverage to uninsured children. ~~As~~ you are aware, your proposed amendment has been undergoing review by the Department of Health and Human Services. In order to proceed with our review, additional information will be required. The enclosure explains more fully the areas that require additional information and clarification. From that listing, our major concern relates to the following area:

Section 6.1.2. In your proposed amendment, dental services and eyeglass benefits are added, while birth control contraceptives are no longer a covered benefit. In addition, it appears that you have revised inpatient and outpatient substance abuse treatment services. Please provide an actuarial report demonstrating that the plan is still equivalent to the benchmark coverage plan given the change in benefits.

Under Section 2106(c) of the Social Security Act, either HCFA must approve, disapprove, or request additional information on a proposed Title XXI State Plan amendment within ninety days. This letter constitutes our notification that additional specified information is needed to fully assess your plan. The 90-day review period has been stopped by this request and will resume as soon as a substantive response to all of the enclosed questions is received. The members of the review team would be happy to answer any questions you may have in regard to this letter and to assist your staff in formulating a response.

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Please send your response, either on disk or electronically, as well as in hard copy to Cathy Cope, Project Officer for Montana's Title XXI plan, with a copy to David R. Selleck, Acting Associate Regional Administrator for the HCFA Region VIII Division of Medicaid and State Operations.

Ms. Cope's Internet address is: Ccope@ HCFA.GOV. Her mailing address is:

Division of Integrated Health Systems
Health Care Financing Administration
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, Maryland 21244-**1850**

We appreciate the efforts of your staff and share your goal of providing health care to low income, uninsured children through Title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact either Ms. Cope at **(410) 786-8287** or Mr. Selleck at (303) **844-1976**. They will provide or arrange for any technical assistance you may require in preparing your response. Your cooperation is greatly appreciated.

Sincerely,

Richard Feriton
Deputy Director

Enclosure

cc: Denver Regional Office

**Questions and Comments on Montana's State Children's Health Insurance
Title XXI State Plan Amendment
Submitted on December 27,1999**

Section 2. General Background and Description of State Approach to Child Health Coverage

- 1. (Section 2.2) The State indicated it had planned to use enrollment brokers for eligibility, enrollment and outreach; however, they are now planning to use in-house staff. Can the State be more explicit about how it is conducting outreach and enrollment? Will there be outstationed workers? Can children be enrolled at FQHCs, community health and public health centers, HIS tribal sites and others?

Section 4. Eligibility Standards and Methodology

- 2. (Section 4.3) Does the universal form indicate to applicants that SSNs are optional for CHIP?
- 3. (Section 4.4.4) Page three states that Native American families are excluded from cost-sharing. Please describe the process that the State utilizes to identify AI/AN children and to insure that AI/AN children do not participate in cost-sharing.

Section 6. Coverage Requirements for Children's Health Insurance

- 4. (Section 6.1.2.) In your proposed amendment, dental services and eyeglass benefits are added, while birth control contraceptives are no longer a covered benefit. In addition, it appears that you have revised inpatient and outpatient substance abuse treatment services. Please provide an actuarial report demonstrating that the plan is still equivalent to the benchmark coverage plan given the change in benefits.
- 5. Please clarify what, if any, limits are imposed on vision benefits.
- 6. (Section 6.2.17) Please provide additional information on the scope of the dental benefit, i.e., what specific services are included/excluded.

Section 8. Cost Sharing and Payment

- 7. Please clarify whether there are any co-pays for dental services. If so, please provide assurances that no copays will be used for dental diagnostic and prevention services.

Section 9. Strategic Objectives and Performance Goals for the Plan Administration

- 8. Under 9.2., performance goal #1, the State noted it would "improve the health status of children covered by CHIP", however, there are no specified performance goals.

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The State indicated it would "establish a baseline" for each of the performance variables, but establishing a baseline is only the first step in determining and attaining the performance goals. The State must specify a level for performance in section 9.2 (the State could do this in the following way: During year 2 of CHIP (year 2001), immunization rates for enrolled 2 year olds will exceed the FY 2000 baseline measures by 5%).

9. In the summary budget, the Federal match for administrative costs in SFY 2000 and 2001 is greater than the total administrative costs. It appears that "total" and "Federal match" amounts may be reversed. In addition, the benefit costs should be reduced by cost-sharing amounts collected from enrollees. Please correct this table.
10. The State lists the same value for costs in SFY 2000 through 2002. Does the State estimate that the same number of children will be enrolled in 2000 as 2002 (i.e., does the State expect its plan to be fully implemented by the end of SFY 2000)?

**Questions and Comments on Montana's State Children's Health Insurance
Title XXI State Plan Amendment
Submitted on December 27,1999
Verbal Questions**

Section 2. General Background and Description of State Approach to Child Health Coverage

- 1. The State has indicated that it will use a Universal Form for SCHIP, Medicaid and other service enrollment. Could the State forward a copy of the Universal form?

Section 4. Eligibility Standards and Methodology

- 1. (Section 4.3) The State indicated that when families check the box indicating they do NOT want to be screened for Medicaid, that the State will contact them 2 weeks after the denial letter to stress the "importance of applying for Medicaid". Will workers also explicitly explain in readily understandable terms what benefits and services are offered under Medicaid? (Note: other Sates that used a similar check box found that when they called families to explain what Medicaid offers with regard to benefits, no cost sharing, same providers, etc., that the majority of families changed their minds and asked to be screened for Medicaid).

Section 9. Strategic Objectives and Performance Goals for the Plan Administration

- 1. Section 9.2.4 indicates the State will have data about the level of Medicaid enrollment for children "referred" from the CHIP enrollment staff. Does the State have the data capacity to accurately track what happens to referred families and obtain this type of data?

- 2. (Section 9.3) The State indicates it will add a section to the Behavioral Risk Factor Surveillance System (BRFSS) to ascertain insurance status for Montana youth. Can the State submit a draft of the revised BRFSS, and explain the sampling methodology?

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